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JUNE 3, 1963

EUROPE'S FARMERS AND POLITICS

THAILAND PUSHES COTTON PRODUCTION

COMMUNIST CHINA'S TOBACCO EXPORTS

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

A WEEKLY MAGAZINE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

JUNE 3, 1963

VOLUME 1 • NUMBER 22

Europe's farmers—whether a Sicilian tilling his field with a hand plow, as in this photo, or a prosperous Dutch dairyman—all have strong spokesmen in government.

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Foreign Agriculture is published weekly by the Foreign Agricultural Service, United States Department of Agriculture, Washington 25, D. C. Use of funds for printing this publication has been approved by the Director of the Bureau of the Budget (December 22, 1962). Yearly subscription rate is $5.50, domestic, $8.00, foreign; single copies are 15 cents. Orders should be sent to the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

Threshing Wheat in France

HOW EUROPE'S FARMERS EXERT POLITICAL INFLUENCE

Agricultural fundamentalism is a basic part of the political structure in Western Europe. It is stronger in some of the Common Market countries than in others—but always strong—and is reflected in their value system and in their degree of market protection and subsidy for agriculture.

It is understandable then why farm organizations are powerful political instruments in the Common Market countries. They are more active in crystallizing and executing government policy, and in jointly administering some of the agricultural programs than are U.S. farm organizations.

One general farm organization usually dominates a country. Commodity organizations as a rule are not strong politically, but farmer cooperatives are gaining in political power in most of the countries.

United Kingdom, Germany

In the United Kingdom, the 54-year old Farmers Union is the big general farm organization. A voluntary organization with 80 to 90 percent of the farmers belonging to it, the Farmers Union gains power by serving on the nationwide commodity or general agricultural boards. In England, there are five national commodity boards with producers holding the balance of power. The Farmers Union also plays an important review role in setting deficiency payments at the end of the year in conjunction with the Minister of Agriculture.

An interesting point is that the Farmers Union first thought of trying to elect members to Parliament who represented the Union, but they decided against it. The organization now works through the party in power. As in the United States Congress, there is abnormal representation of rural areas in Parliament. The House of Lords, for example, still has several old land owners in it, and they vote "for the farmers" when necessary.

British consumer groups are bringing more pressure upon the Parliament because of the large amount and unpredictability of payments to farmers. But the government has gone along with the farmers.

In Germany, the Farmers Association, which includes representation from the cooperatives, handles political matters. German farmers are strong politically. For example, the former Secretary of Agriculture of Germany is president of the central cooperative organization, and some of the presidents of the state agricultural associations are in the Assembly of the State and Federal governments.

High prices for agricultural commodities in Germany are primarily the result of the political skills of farm leaders, for none of the three political parties in Germany appears willing to thwart agriculture if a proposal is strongly supported by the farm organizations. Farm organizations have also been strong protectionists, to keep out imports. They sometimes go directly to the Chancellor with their problems. Farm leaders also talk things over with their representatives in the Bundestag, each week.

Three other countries

Farmers in Italy comprise 25 percent of its population, the second highest percentage of farmers of any country in the Common Market. (Associate Greece has a higher percentage.) There are several Italian farm organizations, and the Administrator of Agriculture coordinates these. Only two appear to be very effective—the Direct Cultivators and the Confagriocoltura. However, the far-flung Consorzi, a general cooperative, is by far the most influential agricultural group in Italy. The Concorzi presses for benefits through Parliament that Italian farmers want, and several of the deputies who are members of the cooperative act for the organization.

(Continued on page 6)

THAIS PUSH COTTON GROWING

Hoping to cut down its bill for imports of textiles and cotton, Thailand has been expanding its cotton acreage and production.

By S. H. WORK
U.S. Agricultural Attaché
Bangkok, Thailand

A hundred years ago, Thailand grew all the cotton used by its small cottage industry, and the home spinners and weavers supplied all the textiles its people needed.

Today, Thailand is working to achieve self-sufficiency in cotton once more—but its situation is completely different. Its rapidly increasing population has one of Asia's highest per capita textile consumption rates, and the size of its import bill for raw cotton and cotton manufactures has long concerned the government.

Thailand's imports of lint cotton, yarn, piece goods, and manufactured cotton articles have steadily increased, and in recent years have amounted to between 15 and 19 percent of total imports. In 1961, imports of textiles alone accounted for around $83 million of the foreign exchange budget. Raw cotton imports have risen too. The United States shipped Thailand less than 500 bales (of 480 lb. net) in 1958-59 but in 1959-60, shipments climbed to 20,000 bales; in 1960-61, to 24,000; and in 1961-62, to 31,000.

In terms of the total Thai market, the U.S. share was 30 percent in 1958 and rose to 82 percent in 1961. In 1962, however, it is estimated to have dropped back to 70 percent.

Size of the cotton task

Growing not only the quantity but the quality of cotton needed to satisfy the requirements of Thailand's mills and replace imports is a difficult assignment for Thai farmers.

Thailand's 9 cotton spinning mills, with a spindlage totaling somewhat over 100,000 use a blend of domestic and foreign cottons in yarn manufacture. Only about a third of the domestic cotton crop—roughly 23,000 bales a year—goes into making yarn; the rest, considered inferior in quality, is used in home weaving and in mattress and pillow factories. A very small quantity is exported to neighboring countries.

The use of imported cotton was fairly low during the early 1950's, but it has rapidly increased in more recent years. From 3,200 bales in 1958, it rose to 39,800 in 1961, though it dropped to 35,500 in 1962. For 1963, the volume of imported lint could again reach the 1961 level or even exceed it, for the 1962-63 harvest has suffered severely both in quantity and in quality from exceptionally heavy insect damage.

Accomplishments and methods

Though the Thais' dependence on imported cotton is still great, they have already done much to step up the quantity and quality of their own lint. Ministry of Agriculture statistics show a steady growth in cotton acreage harvested, from 70,000 in 1949 to 140,000 in 1962. Production too has risen. The average for 1955-59 was 44,000 bales per year; by the crop year 1961-62, the harvest had reached 58,000 bales. Final statistics are not yet available for 1962-63, but the crop may be lower than expected — probably about 55,000 bales—because of the insect damage.

So far, most of the production increase comes from larger acreage. But yields, the Thais hope, are on the way up. Some thirty years ago the Ministry of Agriculture began to introduce superior foreign cotton strains to take the place of the lower yielding ancient Asian type then—and still—being chiefly grown. The so-called Cambodian cotton, though also low-yielding, has the advantage of being relatively invulnerable to jassid attack because of the length and density of its leaf hairs. Crossed with high-yielding Delta Pine at Thailand's Saisamrong experiment station, it has given rise to two new cotton types that are now gaining in commercial production—SK-14 and SK-32. Plantings are still small, but with fertilization these improved strains have given some striking yields—as much as 1,100-1,650 pounds of seed cotton per acre (about 375-560 of lint).

To assist in the work of the Saisamrong station and the cotton program in general, Thailand has obtained aid from the Colombo Plan. The director of the station made a 3-month study trip to Uganda and Tanganyika; and the British sent a ginning specialist, an entomologist, and an agronomist-breeder to Thailand.

Future Colombo Plan aid envisages foreign travel and study for Thai technicians in marketing, ginning, breeding, pathology, and entomology. Irrigation studies in the northeast and other areas will also be pursued.

Though there have been cotton farmers in Thailand for generations, cotton is a new crop to many farmers in this rice-producing country. It may well be, therefore, that they are more receptive to technical advice than rice farmers are, for they have no long historic backlog of experience weighing against new methods. A few of these farmers, by mechanizing and using improved seed, fertilizer, and pesticides, have greatly improved output.

The long list of difficulties

A number of problems face the cotton industry in Thailand. Production losses through floods on the one hand and drought on the other are frequent. In some provinces, soil erosion is seriously damaging the terrain. Not all soils in Thailand are suited for cotton growing, though with proper irrigation and drainage plus the use of adequate fertilizer, many areas could produce more cotton than they do. On the best-suited land, however, competition from other crops is keen. Among these are cassava, su-

garcane, peanuts, soybeans, corn, sesame, tobacco, and kenaf.

Production methods vary widely. Some farms make a business of cotton, though on a much smaller scale than in the United States. But on the whole, cotton culture is of a relatively primitive type. Once the cotton is growing, it is likely to be on its own; only the exceptional farmer can afford machinery, fertilizer, or insecticides to help it along. A recent Kasetsart University study shows that in 1961-62 machine power came to only 2.7 percent of total production cost per acre; fertilizer and insecticide, to only 0.3 and 1.2 percent.

The experiment station reports that the two most serious pests attacking cotton in Thailand are leaf sucker and the disease bacterial blight. Also damaging are the pink bollworm, spiny bollworm, leaf roller, semilooper, stem borer, and grasshopper. The station has demonstrated that insects can be fairly well controlled by a minimum of six sprayings. However, the cost of insecticides and spraying equipment is heavy, and some farms actually lose money trying to control cotton pests. Yet without control, yields in seriously afflicted areas drop so low that production is negligible. Thus the problem becomes one of resolving how best to organize insect and disease control.

One problem that affects the quality of Thailand's cotton at every stage from seed to spindle is that of marketing and transportation. Most farmers sell their cotton in the seed to dealers who go from farm to farm, collect the bagged cotton at central points, and transport it to the gins. Unable to afford trucks, small farmers have no other way of marketing.

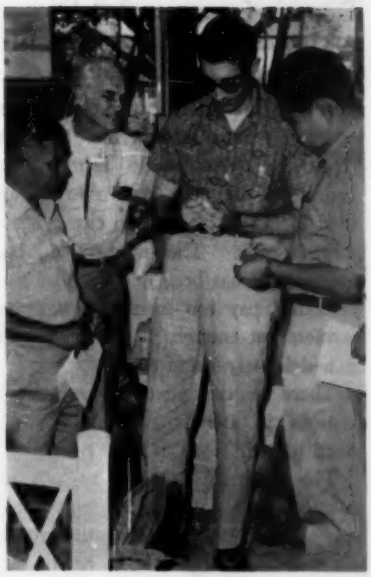
First effect of this system is on the quality of the seed cotton produced. Most dealers buy cotton not by grade but by weight; thus there is no incentive for a farmer to use better seed for upgrading the quality of his cotton, unless he is able to transport his crop directly to the gin and sell it for a better price.

Even if a farmer wished to buy better seed, seed of the newer strains is not yet generally available, though the government is trying to find more cooperators for seed multiplication. Most farmers, therefore, buy seed from the gin. There, all kinds are mixed, for gins obtain seed from the cotton brought in by the dealers and do not attempt quality segregation.

Final effect of the transportation and marketing problem is on the quality of the lint cotton produced by ginning. Most gins are old and of the roller type. Owners cannot afford the investment necessary for quality control. Ordinarily, all cotton collected by the dealers is lumped in the bags, and the bags brought to the gins by the various dealers are also lumped, without quality segregation or grading of any kind. The resulting lint is not uniform. Furthermore, much of the cotton arriving at the gin contains

Above, bales of Thai cotton stacked outside small ginnery near Sawankaloke. Right, worker at experiment station bagging bolls of new strains to be tested individually.

Below, at station's agricultural fair, staff members show off new cottons to U.S. Attaché Work and Reiter Webb, FAS visitor.



a great deal of leaf and other trash, and some of it may be diseased. Gin waste is reported to run as high as 15 to 20 percent, and even so, much trash carries over into the lint. All this creates mill problems for the spinners, and they find it necessary to import graded cotton for blending.

Goals and possibilities

Thailand's National Economic Development Board has estimated that to satisfy total mill needs from domestic sources in 1965 would require 235,000 bales of lint cotton. This figure is based on a population growth of 2.95 percent (actually closer to 3.05) and a textile consumption of around 10.8 square yards per capita per year.

Conceivably, total production might reach about 120,000 bales by 1970, and with emphasis, even approach 155,000. But the NEDB figure of 235,000 bales is hardly in sight within the current decade.

Thus imports will be necessary during the next 10 years, though perhaps to a decreasing extent. Best estimate of foreign cotton needs over the next several years is 30,000-35,000 bales annually. Thai mills prefer U.S. cotton, and if the past percentage can be maintained, 24,000-28,000 of this should come from the United States. Price will continue to be of first importance to Thai importers in deciding where to obtain supplies.

Europe's Farmers and Politics

(Continued from page 3)

In France, farm organizations appear to take more violent positions and to act more severely than in other countries. The potato farmers organization has been known to set up road blocks and has taken city officials into custody. The position of the government has been described thusly: "Do not pay too much attention to farmers but enough." Obviously this is a delicately balanced policy.

There are two general farm organizations in Belgium, where farmers seem to hold a balance of power.

The government has a majority of less than 10 in Parliament, and farmers control 30 to 40 of the votes. As one farm organization head said, "Once a resolution is passed, members we control in Parliament go down the road for it." The Minister of Agriculture meets twice a month with farm-organization representatives.

Summary

There seems to be a general feeling in most Common Market countries that no party can get in power and stay there without farmer support.

A split is beginning to emerge between the large and small farmers, as might be expected in a growing economy. Some of the big efficient farmers in France, for example, are against the plan of combining small farms into large and more efficient farms because they now enjoy the advantage of higher support prices in view of the high operating costs of the marginal producers.

Agricultural trade groups, such as associations of importers and processors of wheat, feed grain, and soybeans, favor liberal trade and high volume. Their policies often conflict with farm-organization policies.

More commodity organizations with political aspirations are likely to develop as agriculture becomes more commercialized and specialized.

This article was taken from the report of a European study team composed of representatives of State Agricultural Extension Services, of the Federal Extension Service, and the Foreign Agricultural Service. Entitled *Toward Maintaining and Expanding Markets in Western Europe for U.S. Farm Products,* the report is available, in a limited number of copies, from A&M College of Texas, College Station, Texas.

USDA Given Authority To Administer U.S. Wheat Agreement Operations

The President on May 23 delegated to the Secretary of Agriculture the authority that the Congress had vested in him under the International Wheat Agreement Act of 1949 as amended. This action was made necessary by the disapproval of marketing quotas in the May 21 wheat referendum. USDA had indicated that if the quotas were not approved, special arrangements would have to be made for U.S. exports under the International Wheat Agreement, and the President's Executive Order is a first step.

The Secretary is now empowered—

- To make available, or cause to be made available, through the Commodity Credit Corporation, such quantities of wheat and wheat flour and at such prices as are necessary to exercise the rights, obtain the benefits, achieve the objectives, and fulfill the obligations of the United States under the IWA.
- To prohibit or restrict the importation or exportation of wheat or wheat flour and issue such rules and regulations as he may deem necessary in the implementation of the IWA.

In his statement on the President's order, Secretary Freeman explained that the Agreement involves benefits as well as obligations. Exporting members like the United States benefit from the obligation of importing members to buy specified shares of their requirement at prices within the IWA range of \$1.62½ to \$2.02½. In turn, exporters are obligated not to export under the minimum price.

But, if U.S. farmers should produce in 1964 a crop far beyond normal domestic and export needs, wheat prices in the United States would fall below the IWA minimum. Exports by the United States at such prices would result in the collapse of the Agreement. This will not be permitted. The United States expects to fulfill its IWA obligations, and by doing so, to continue obtaining the benefit of exporting at prices in line with those at which other IWA exporting countries are selling wheat.

The Department of Agriculture will immediately begin talks within the government on the procedures that would cover wheat exports in 1964. At an early date, it will hold discussions with farm groups and the grain industry, so that a full understanding may be reached, and export procedures announced, well before the start of 1964 marketing year.

Mainland China's Dwindling Tobacco Exports

By JOHN B. PARKER, JR.
Tobacco Division
Foreign Agricultural Service

Two years of short tobacco crops in the flue-cured growing areas of Central China plus political differences with the Soviet Union culminating in a much lower exchange of goods between the two countries have caused a drastic reduction in Communist China's tobacco exports.

In 1957 China shipped to the Soviet Union and its Eastern European Satellites about 150 million pounds of leaf. From this peak, shipments dropped to less than 25 million pounds in 1961. The following year Chinese leaf represented less than 5 percent of the Soviet Union's tobacco imports as against 50 percent in 1957; and in the Eastern European countries the 1962 tobacco imports from China reached a 10-year low.

East European smokers prefer blended cigarettes to the traditional oriental cigarettes and had long looked to China to supply the flue-cured leaf. This is particularly true of East Germany and Czechoslovakia, whose purchases have now fallen to token levels.

India fills gap

All of these countries, as well as the Soviet Union, failing to get the tobacco they need from China, have now turned to India for their supplies. Last year the USSR bought a record 40 million pounds of flue-cured tobacco from India. Poland imported 12.5 million pounds and East Germany, 7.8 million. Hungary and Czechoslovakia also boosted their buying of Indian tobacco.

A less drastic but nonetheless important change also took place in China's own import position. For several years it had been buying small quantities of leaf from India and Thailand. In 1958 these imports reached 38 million pounds. The next year neither country was anxious to trade with China, and tobacco shipments fell.

In normal years about 900 million pounds of flue-cured leaf is delivered to China's cigarette factories from its own crop. The production of dark air-cured tobacco and other types totals approximately another 900 million pounds; and with warm autumn weather in Central China, sprouts from flue-cured plants yield around 200 million pounds of tobacco, most of which rural people smoke in pipes.

China's consumption

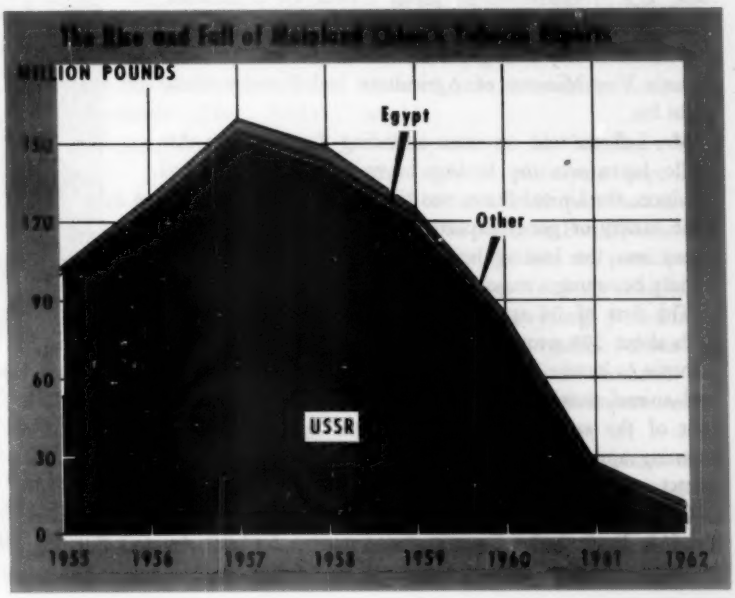
Mainland China is the world's largest consumer of pipe tobacco, using over 1 billion pounds a year. Normally, about 700 million pounds of cigarettes are smoked too. Cigar consumption, which accounted for about 3 percent of total prewar tobacco sales, has dropped slightly but is still important especially in Shanghai and northern China.

Shanghai is the center of cigarette manufacturing in China, and it also has many pipe tobacco factories. However, China's cigarette output has not increased fast enough to keep up with the country's rapid population growth.

China may seek sources of low-cost tobacco that it can import. It is doubtful though that this imported tobacco will benefit the Chinese people by making more cigarettes available. In all likelihood, China will retain this low-cost tobacco for domestic use and export its flue-cured to bring in the foreign exchange that is needed to buy industrial equipment. (China paid 12 to 18 cents for tobacco it imported and got 33 to 50 for its exports.)

China, of course, is limited in its sources of supply. In the early 1930's China was the United States' biggest tobacco customer, but imports from both the United States and India are now prohibited. This leaves Thailand, which might resume its trade with China if a surplus crop develops, and the Philippines and Rhodesias-Nyasaland, both of which have sizable amounts available for export, as the most likely suppliers.

Currently, however, the decline of China's tobacco exports and the possibility of its importing large amounts have affected the world tobacco situation. Free World exporters have already begun to benefit from China's exit as a major world tobacco supplier. India shipped about 72 million pounds of tobacco to new markets in the USSR and Eastern Europe in 1962, and to a lesser extent Greek, Rhodesian, Brazilian, and U.S. tobacco exports also gained.



Tokyo Trade Center's First Farm Show Underway

The Tokyo Trade Center's first all-agricultural exhibit opened officially May 20 with U.S. feedstuffs occupying the center of the stage.

About 200 guests representing Japanese feed companies, oil crushers, industry associations, cooperatives, the livestock and poultry industries, importers and Japanese government officials attended the opening day reception.

Participating in the traditional ribbon-cutting ceremony were U.S. Ambassador to Japan Edwin O. Reischauer, Frank M. LeRoux, FAS General Sales Manager, who represented Secretary of Agriculture Orville L. Freeman, and Japan's Vice Minister of Agriculture and Forestry Masayoshi Ito.

Mr. LeRoux told newsmen attending the ceremony that while Japan was the leading buyer of U.S. agricultural products, the United States was the major purchaser of the wide variety of goods exported by Japan. He noted that Japan was the leading buyer of U.S. soybeans and was rapidly becoming a major market for U.S. feed grains.

The first of 24 special programs began the next day with about 250 people attending. The program included a movie, a lecture by one of six U.S. experts on feedstuffs and animal nutrition, a seminar discussion, and a guided tour of the exhibit. Similar programs will be repeated morning and afternoon for 12 days and are expected to attract around 4,000 people.

Cooperating with USDA as sponsors of the show are the U.S. Feed Grains Council, the American Soybean Association, and the National Renderers Association.

Top left, Japanese journalists are briefed by Frank LeRoux at a press preview which preceded the opening. Top right, two journalists study a model of a desolventizer-toaster which removes solvent and properly toasts soybean meal. Above, another inspects samples of U.S. feed rations.

Produce Exported Using "Top Ice" As Refrigerant

Shipping perishables by "top ice" refrigeration—used for years by railroads—has just been tried on transoceanic marketing of vegetables, with good results. The cost-saving feature of top ice refrigeration may lead to opening new markets for U.S. fruits and vegetables, as well as making them more competitive in traditional ones.

Freight rates of top ice shipping are low because almost any freight ship can be converted to use top ice: the cargo is placed in the ship's hold and crushed ice is blown on and around the produce.

Along with reduced freight costs, shipping by top ice will help ease the shortage of refrigerated ships during certain times of the year.

The first experimental shipment—16,000 sacks and crates of carrots, cabbage, and parsley—went recently from Texas to London, England. The refrigerant was 340 tons of crushed ice. One stop was made in Tampa, Florida. The vegetables arrived in London in good condition.

Before this method can be widely used for long-distance shipping, some problems must be solved: too little ice results in spoilage—too much makes unloading difficult; water from melted ice must be controlled. Not all fruits and vegetables will tolerate top ice.

Japanese Study Cotton Goods Distribution Here

Forty members of the Tokyo Fabric Wholesalers' Association have just completed a month-long study of cotton goods distribution methods in a number of U.S. cities.

The group has been seeking a cure for Japan's cumbersome wholesale distribution system which may contribute to higher distribution costs and thereby impede consumer purchases of cotton goods. The Cotton Council International's Japanese cooperators also believe the system prevents getting full benefit from the promotion of cotton products being carried on by CCI, the cooperators, and FAS.

U.S. Rice Adds Germany To Its European Offices

The U.S. Rice Export Development Association plans to open its 7th European post at Frankfurt by July 1. Frankfurt will be the Association's first office in Germany, and the center of its activities to step up rice consumption in a growing export market.

In a country where the family consumption of rice is low, the biggest challenge of a rice promotion program is acquainting the public with rice cooking techniques and recipes. The office plans to cover both angles by working with food editors on large German dailies and women's magazines—encouraging them to feature rice in their food sections. The office also wants to increase the serving of rice at industrial cafeterias where 18 million German workers eat daily.

Miss Astrid Limberger, a native of Frankfurt, has been appointed Country Director. This is in line with the Rice Association policy of using only women in these overseas posts.

CCI's New Brussels Post To Cover All of Europe

The Cotton Council International will merge three of its European offices in July into a new European headquarters responsible for market development for U.S. cotton on the Continent and in the United Kingdom.

CCI—which in cooperation with the Foreign Agricultural Service carries on promotional activities in 16 countries—will eliminate its present offices in Paris, Ghent, and Rotterdam.

The Brussels post will be headed by Read Dunn, CCI Executive Director.

Secretary Freeman Urges Food Industry Participation in Two Big U.S. Exhibits

Secretary of Agriculture Orville L. Freeman has issued an invitation to U.S. food processors to participate in two major U.S. food and agriculture exhibits in Western Europe this fall.

In a letter to some 2,000 food firms, Secretary Freeman said: "The Department of Agriculture, in collaboration with the U.S. food industry, is staging two important trade fair exhibits in Western Europe this year, one in Amsterdam, Netherlands (Nov. 7-24) and one in Cologne, Germany (Sept. 21-29).

"We have high hopes that these two projects will be an effective means of building broader and deeper understanding and sympathy within Western Europe for the U.S. position with respect to liberal international-minded trade policies.

"It is of the utmost importance that two-way trade channels be kept open. In seeking this objective, we need your help. The entire U.S. food industry is invited to participate in the Amsterdam and Cologne Fairs."

At the U.S. food and agricultural exhibit-symposium in Amsterdam, U.S. agriculture will solo in the largest trade event ever sponsored by the USDA. It will be presented in the context of Western Europe and the United States as the world's most active trading partners.

In the ANUGA fair in Cologne—Europe's biggest international fair—U.S. farm products will be shown with those of some 40 countries around the world.

Recipients of the Secretary's letter who wish to participate have been asked to use a return post card to send for a Food Industry Participation Kit. Included in the kit are participation agreement forms for both exhibits, instructions for shipping products abroad, and information about the West German and Netherlands customs regulations and import restrictions.

The kit may also be obtained by writing directly to the International Trade Projects Division, Foreign Agricultural Service, U.S. Department of Agriculture, Washington 25, D.C.

Fair Exhibit Brings Honors to New South African Office of U.S. Rice

Mrs. Jeanette Louw holds a gold cup awarded to U.S. Rice Export Development Assoc. in South Africa.

The U.S. Rice Export Development Association recently won a gold cup for its exhibit, judged "best all-around" at the Middleburg Fair, Republic of South Africa. Mrs. Jeanette Louw, Country Director for U.S. Rice, accepted the cup for the Association.

The award caps 9 months of intensive market development activity by the Association's new office in Johannesburg. Opening in August 1962, it is the first set up by any U.S. commodity group in South Africa. Its establishment was prompted by the recent phenomenal rise in South Africa's imports of U.S. rice. These went from 46 million pounds in 1958-59 to 304.5 million in 1959-60, more than doubled in 1960-61 to 981 million and were 804 million in 1961-62 with a value of $10 million.

To maintain and even increase the current 90-percent U.S. share of the South African rice market will be the main job of the Johannesburg office. Another will be to increase the amount of rice that the government allows into the country under the present quota system. South Africa produces only 2 percent of the rice it consumes, but grows a surplus of "mealies" (corn) which competes with rice. U.S. Rice has been trying to work out ways to use rice and mealies together.

U.S. Rice plans to expand promotional activities to other African countries in the future.

U.S. Soybean Council Exhibiting in Cyprus

The Soybean Council of America will exhibit in the Cyprus International Fair in Lamassol June 28 through July 21—the first U.S. agricultural commodity group to participate in this exhibition.

A variety of U.S. soybean products are being displayed along with charts and publications promoting the use of soybean meal and soybean oil in margarine and shortenings and as liquid vegetable oils. A pictorial section of the exhibit points out the role of soybean products in the Cyprus economy.

The Soybean Council estimates soybean meal utilization in Cyprus will grow by 20 percent each year. The first imports of U.S. meal are now moving into Cyprus and are expected to increase. U.S. soybeans will be crushed there on an experimental basis for meal and oil.

Top Sale of U.S. Cattle Just Made to Honduras

The recent arrival in Honduras of the final planeload of U.S. cattle completes the biggest sale of U.S. livestock ever made to that country. The airlift—100 Brown Swiss and 600 Brahman bulls in all—began May 6, one flight each day. The Government of Honduras had purchased the cattle under the Inter-American Development Bank financed program for livestock improvement.

Though Honduras has been importing small quantities of U.S. cattle for some years, the cattle did not readily adapt to climate and management practices. Then in 1961 a buying mission to the United States purchased 35 head of Brown Swiss which performed well—primarily because of a new livestock improvement program begun by the Government of Honduras. As a result the Government secured a Development Bank loan to import more U.S. cattle.

The imported cattle are being sold to ranchers in Honduras, who are urged to attend a 5-day training program at the Agricultural Center in Comayagua to learn improved management techniques.

Pancake Mixes Promote U.S. Wheat in Japan

Wheat Associates, USA, and the Japan Cake Mix Association are moving ahead with plans to promote sales of pancake mixes made in Japan from U.S. wheat. The campaign will shift into high gear in time for the International Olympic games, to be held in Tokyo in the fall of 1964.

Part of an overall market development program being carried on by Wheat Associates and the Foreign Agricultural Service, this promotion campaign is aimed primarily at the concession stand business. A Japanese eats his pancakes cold, usually with a slab of chocolate in between—and enjoys them most at amusement parks, baseball games, and other outdoor events. Wheat Associates and the Japan Cake Mix Association are buying concession stands and setting them up at places where large numbers of people congregate. Cooks demonstrate how easy it is to make pancakes from a mix, assistants give out free pancake samples, and sell the mixes. In March alone, approximately 320,000 people observed demonstrations at 31 stands in major Japanese cities.

Wheat Associates and its Japanese cooperators in the flour mix business are also working to introduce Western style hot pancakes with syrup to the Japanese market. Although this type of pancake is new to Japanese consumers, the Japan Cake Mix Association wants to take advantage of the current popularity of Western-style food by presenting this typical U.S. food.

The Japan Cake Mix Association was formed only 4 years ago—in 1959—but its sales have increased about 10 percent over the previous year for each year of its existence.

United States Ratifies Coffee Agreement

The United States Senate ratified the long-term International Coffee Agreement on May 21, 1963. This Agreement was negotiated at the United Nations in the summer of 1962, and is due to be in effect until September 30, 1967. It is basically an export quota type of arrangement, but consuming country members agree to limit imports from nonmembers under certain conditions.

The Agreement is due to come into force when instruments of ratification or acceptance have been deposited by 20 exporting countries with at least 80 percent of total exports in the year 1961 and by governments representing at least 10 importing countries with at least 80 percent of world imports in the same year. A primary immediate objective of the Agreement is to stabilize coffee prices at about the 1962 level.

Malagasy Coffee Production to Increase

The Malagasy Government is setting up a long-term agricultural plan to increase coffee production by about 17 percent in the next 10 years. The present level of production is near the 130-million-pound mark. Some of the areas now under cultivation are marginal, and it is anticipated that coffee production will be reduced or possibly eliminated there.

The Coffee Research Station at Mananjary has developed a new strain of Robusta coffee that has high yields. New plants are being propagated by this station, and a number of the large plantations are being planted to replace older trees and inferior strains. The total area in coffee amounts to about 457,000 acres, and about 80 percent of the crop is grown on peasant farms.

Philippine Maguey Production Rises

Philippine production of maguey fiber increased to 5.4 million pounds in 1961-62, 13 percent over the 1960-61 level. Acreage increased 17 percent, to 7,390 acres, but the average yield was reduced by unfavorable weather from 759 pounds per acre to 730.

This fiber has fallen considerably in importance to the economy, because of its relatively high cost of production and the lower price of abaca in the world market since devaluation of the peso. Average production in 1947-51 was 8.1 million pounds from 17,900 acres. Prior to 1940, production had been at 39 million pounds.

Most of the maguey crop is now used locally by the cottage industry in making mats, rugs, and other household articles, but some is still made into rope and twine.

German Leaf Tobacco Usings Up Slightly

Usings of leaf tobacco by West German and West Berlin manufacturers during 1962 were 269.8 million pounds, up 1.9 percent from the 1961 level of 264.7 million pounds. However, this gain in leaf usings, in terms of both absolute quantity and percentage was the smallest during the last decade.

Larger leaf usings in cigarettes and chewing tobacco were more than enough to offset the decline in the combined output of cigars, smoking mixtures, and snuff. Leaf use in the production of cigarettes continued upward, but the annual rate of gain, both the percentage and the absolute volume, was considerably below that for previous years. Leaf used in cigarettes totaled 192.5 million pounds, compared with 185.4 million in 1961, and accounted for 71.3 percent of total usings—slightly more than the 70.1 percent for the previous year.

Usings of U.S. leaf in 1962 totaled 76.9 million pounds, compared with 74.6 million in 1961, and accounted for 28.5 percent of total usings, compared with 28.2 percent in 1961 and 28.0 percent in 1960. However, the U.S. percentage share of total usings of imported leaf continued downward, with 31.5 percent for last year, compared with 31.8 percent in 1961 and 32.9 percent in 1960.

Total usings of oriental leaf, at 70.3 million pounds, were down slightly from the 70.9 million pounds for 1961. As a percentage of total usings, oriental leaf continued to decline through 1962 and represented 26.1 percent, compared with 26.8 percent in 1961 and 27.8 percent in 1960.

Use of Latin American, Rhodesian, Italian, and Japanese tobaccos increased over 1961 and represented larger percentages of total usings than for the previous year. The use of Rhodesian leaf rose to 20.7 million pounds from 18.2 million in 1961 and accounted for 7.7 percent of total usings, compared with 6.9 percent in 1961.

Use of domestic leaf, at 25.6 million pounds, was down 14.4 percent from the 29.9 million used in 1961. The combined use of blended filler and homogenized leaf totaled 7.1 million pounds, compared with the 1961 total of 5.3 million pounds.

TOBACCO, UNMANUFACTURED: WEST GERMANY, USINGS BY MANUFACTURERS, 1960-62

Country of origin	1960	1961	1962
	Million pounds	*Million pounds*	*Million pounds*
United States	69.0	74.6	76.9
Oriental leaf [1]	68.4	70.9	70.3
Exotic leaf [2]	19.8	19.0	19.9
Indonesia	9.3	9.7	8.5
Italy	(3)	19.0	19.6
Japan	(3)	7.1	7.6
Rhodesias-Nyasaland	(3)	18.2	20.7
Other foreign leaf	43.4	11.0	13.6
Blended filler and homogenized leaf	—	5.3	7.1
Domestic leaf	36.4	29.9	25.6
Total	246.3	264.7	269.8

[1] Tobacco originating in Greece, Turkey, Bulgaria, Yugoslavia and the U.S.S.R. [2] Tobacco originating in Brazil, Colombia, the Dominican Republic, Cuba, Mexico, Paraguay, Argentina, and the Philippines. [3] Not separately shown; included in other foreign leaf.

Die Tabak-Zeitung, Mainz, April 26, 1963.

TOBACCO, UNMANUFACTURED: WEST GERMANY, USINGS IN THE DIFFERENT TYPES OF PRODUCTS, 1960-62

Product	1960	1961	1962
	1,000 pounds	*1,000 pounds*	*1,000 pounds*
Cigarettes	166,734	185,433	192,519
Cigars	59,653	60,322	58,567
Smoking mixtures	19,523	18,594	18,413
Chewing tobacco	250	198	220
Snuff	151	157	126
Total	246,311	264,704	269,845

Die Tabak-Zeitung, Mainz, April 26, 1963.

Rhodesian Flue-cured Prices Advance

Average weekly auction prices for 1963 flue-cured tobacco in Salisbury, Southern Rhodesia, have strengthened substantially for 4 consecutive weeks from the seasonal low of 37.5 U.S. cents per pound, recorded for the fifth week ending April 11, 1963.

Trade reports indicate that the quality of offerings has improved in recent weeks. Also, U.K. manufacturers have entered the market more strongly.

The average weekly auction price for the ninth week, ending May 9, was equivalent to 52.1 U.S. cents per pound, compared with 47.5 cents for the eighth week, 41.9 cents for the seventh week, and 39.5 cents for the sixth week. The average price for the ninth week last year was equivalent to 43.2 cents per pound.

Total sales through the ninth week amounted to 70.3 million pounds at an average price equivalent to 42.6 U.S. cents per pound. Sales last year for the same period totaled 72.9 million pounds, at an average price of 46.8 U.S. cents.

Argentine Cigarette Sales Up Slightly

Cigarette sales in Argentina during 1962 totaled 23.3 billion pieces, compared with the 23.1 billion sold in 1961. The increase in dark cigarettes more than offset the decline in light cigarettes. Sales of dark cigarettes rose from 11.5 billion pieces in 1961 to 12.3 billion in 1962, while those of light cigarettes dropped from 11.6 billion to 10.2 billion. Sales of filter-tipped cigarettes rose sharply, accounting for 20 percent of total sales, compared with 10 percent in 1961. King-size cigarettes accounted for 1 percent of total sales, and regular-size cigarettes comprised the remaining 79 percent.

Consumers last year were offered 87 different brands of cigarettes—61 regular size, 4 king size, and 22 filter-tips, including one mentholated brand. Also, last year 10 new brands were introduced, seven of them filter tips. Of the total of 87 brands sold last year, 49 brands were light cigarettes and 38 were dark cigarettes.

The most popular brands of dark cigarettes include Fontanares, Particulares Livianos, and Particulares Fuertes. The popular brands of light cigarettes include Clifton, Saratoga, San Diego, Colorado, and Derby. Combined sales of these 8 brands accounted for 55 percent of the total sales in 1962. The most popular filter-tipped brands are 43, Florida, Fontanares, and Filadelfia, and they represented 58 percent of total filter-tipped sales last year.

Record Korean Output of Tobacco Products

Output of tobacco products in the Republic of South Korea during 1962 set a new record. It totaled 57.9 million pounds—up 12.3 percent from the 51.5 million produced in 1961.

Cigarette output, at 37.8 million pounds, was 11 percent greater than the 34.0 million produced in 1961. Production of cut tobacco also rose, to 20.1 million pounds from 17.5 million for the previous year.

Mexico Gives Plans for Livestock Industry

The Mexican Secretary of Agriculture recently released a report to the public outlining programs for improving the country's livestock industry.

The Secretary announced that since Mexico is primarily a livestock country, its farmers need to produce all feedstuffs necessary for livestock development. This report outlines range husbandry improvement and increased extension work, designed to get the proposed technical and economic transition started immediately.

Plans for forage production and processing have been completed and are being carried out in various regions of the country. The Mexican Government is determined to support its program for livestock promotion and expand it to include organized producers.

Feedlots will be expanded this year and will function in the vicinity of packing plants. Packinghouse facilities are to be enlarged. New plants, will be constructed in the more important livestock feeding centers to process the largest possible number of cattle.

Assistance from agricultural experimental stations, extension centers, and regional programs has enabled Mexico to eliminate imports of fats and oils and to promote hog raising, for the dual purpose of increasing supplies of meat and lard.

The Mexican Government has already started or plans to start the following programs in 1963: National breeding stations, livestock insurance, expansion of meat exports, a livestock vaccination and sanitation campaign, national sheep development stations, and research centers to provide technical assistance to producers.

Rhodesias-Nyasaland Plan Larger Pork Production

At the annual general meeting of the Rhodesian National Pig Breeders' Cooperative, recently held in Salisbury, the chairman announced that negotiations were underway for important sales of pork products to a large European international company of food canners. If these negotiations are successful, he stated, pig production in Rhodesia will have to be greatly increased.

In the past, exports of Rhodesian pork products have been limited by relatively high prices and by the difficulty of selling certain pork cuts used for bacon. The chairman reported that the best market for Rhodesian pork lies within the country; however, if the cooperative is successful in its negotiations with the European canners, there will be an opportunity for rapid growth of the pork industry.

The chairman urged that quality control and sanitary regulations be strictly applied to unlicensed manufacturers of bacon, and that the Rhodesian Government help support and protect production and marketing.

The cooperative recently registered a new company in Northern Rhodesia. This company borrowed $284,000 from a British South African company to build a processing factory, and the loan is being guaranteed by the Northern Rhodesian Government.

Ireland Selling Pork to East Germany

Irish pork is being exported to East Germany under contracts recently signed between the two countries.

It has been agreed that East Germany will purchase 400 long tons of Irish pork to be shipped during May-July 1963. This contract is regarded by the Irish as a breakthrough into a new market, especially important because Ireland has had an imbalance of payments with East Germany. In 1962 exports of all products from East Germany to Ireland were valued at $1.9 million, whereas Ireland's exports to East Germany during the same period brought in only $19,000.

Thai Rice Prices Turn Upward

Rice sales to Indonesia and the Philippines recently caused an upturn in Thai rice export prices. Prices are expected to taper off, however, owing to adequate supplies.

THAILAND'S AVERAGE RICE EXPORT PRICES, F.O.B. BANGKOK[1] ON SELECTED DAYS, MAY 1961 TO MAY 1963

Date	White rice		White broken	Cargo
	100-percent first-grade	100-percent broken	A-1 super	100-percent first-grade
	Dollars per cwt.	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*
1961:				
Apr. 17	6.47	5.78	4.16	5.46
May 15	6.85	6.09	4.31	5.70
1962:				
Apr. 16	7.28	6.70	5.24	6.38
May 21	8.35	7.97	6.60	7.08
1963:				
Jan. 21	6.81	6.17	4.33	5.73
Feb. 18	6.99	6.48	4.83	5.72
Mar. 18	6.75	6.19	4.75	5.44
Apr. 22	6.62	5.88	4.56	5.50
May 3	6.56	5.78	4.56	5.44
May 13	6.75	6.12	4.78	5.69
May 20	6.87	6.25	4.87	5.81

[1] Milled rice. Includes export premium, export tax, and cost of bags. Packed in bags of 100 kilograms (220.46 lb.) net.

Thailand Sells More Rice to Indonesia

Thailand has concluded an additional sale to Indonesia of 100,000 metric tons of Indonesian special-grade white rice, 35 or 45 percent broken, at £35 per ton ($4.38 per 100 lb.), f.o.b. Bangkok.

This brings total sales to Indonesia for 1963 to 350,000 tons so far. Quantities sold in 1961 and 1962 were 382,000 and 290,000 tons, respectively.

If there is no delay in payment and no difficulty in shipping arrangements by the buyer, the 100,000 tons under the May contract will be shipped at the rate of 50,000 tons a month, after the shipment of 150,000 tons under a February 8 agreement has been completed.

Owing to these problems, however, only 80,000 tons were shipped to Indonesia by April 30, even though exports under the February agreement were also to be at 50,000 tons a month. The volume shipped to Indonesia in the first quarter of 1963 was only 36,000 tons, compared with 142,000 in the same quarter of 1962.

Danish Grass, Legume Seed Area Smaller

Preliminary data indicate that grass and legume seed acreage contracted for harvest in Denmark in 1963 totals 124,561 acres, compared with 128,501 in 1962.

Kentucky bluegrass, meadow fescue, and white clover were reduced by more than 2,000 acres each. Perennial and annual ryegrass acreages were increased substantially. Totals contracted for harvest in 1962 and 1963 are as follows, by kinds:

	1962 *Acres*	1963 *Acres*
Red clover, early	306	334
Red clover, late	3,133	2,805
Red clover, semilate	15,360	15,686
White clover	27,935	25,567
Alsike clover	418	450
Perennial ryegrass, early	11,806	14,193
Perennial ryegrass, late	9,202	9,681
Annual ryegrass	7,583	9,111
Timothy	3,534	3,477
Orchardgrass	17,781	17,280
Meadow fescue	8,495	6,224
Red fescue	5,145	5,293
Danish bluegrass	4,927	3,761
Kentucky bluegrass	12,876	10,699
Total	128,501	124,561

U.S. Bean Exports Up In March

U.S. exports of dry edible beans totaled 311,000 bags in March 1963, for the highest March export in 11 years. The last high was in March 1952, at 316,000 bags, and less than 200,000 bags were exported in March during most of the intervening years. The following classes and quantities were included:

	Bags
Navy	115,950
Great Northern	39,662
Other white	53,933
Red kidney	18,736
Pinto	24,309
Small red	906
Other colored	36,849
Seed	21,090
Total	311,435

These high shipments bring total exports for the first 7 months of this marketing season to 1.7 million bags or the highest for this period since 1959-60, when 2,058,000 bags were exported. Exports included 450,000 bags of beans donated for foreign relief or charity and about 45,000 bags for Title II of P.L. 480.

Belgium Imports More Oilseeds, Products

Belgium, a minor producer of oilseeds (primarily flaxseed), traditionally imports and exports sizable quantities of several vegetable oil-bearing materials, oils, and cakes and meals. A net importer of oilseeds and vegetable oils,

Belgium in 1962 imported 336,435 short tons of oilseeds, up 7 percent from the preceding year despite increased domestic production. Its imports of crude vegetable oil, at 68,882 tons, increased by 9 percent, while its net imports of cakes and meals increased by over 58,000 tons, or 36 percent.

BELGIUM: EXPORTS AND IMPORTS OF OILSEED CAKES AND MEALS, 1961 AND 1962

Commodity	Exports		Imports	
	1961	1962	1961	1962
	Short tons	*Short tons*	*Short tons*	*Short tons*
Cottonseed	83	463	29,776	37,529
Peanut	7,318	13,305	40,835	46,879
Soybean	13,396	15,575	57,271	102,257
Sunflower	141	1,887	20,141	23,115
Rapeseed	134	104	18,335	20,563
Sesame	18	11	20,535	13,628
Copra	3,489	2,265	9,669	10,599
Palm kernel	4,941	14,051	220	45
Linseed	12,103	14,150	29,452	30,069
Other	43,381	42,504	22,047	41,157
Total	85,004	104,315	248,281	325,841

National Statistical Institute.

Soybean imports of nearly 132,000 tons, nearly all from the United States, accounted for most of the rise in oilseed imports. Imports of peanuts and palm kernels, largely from Nigeria, also gained, while imports of copra from the Philippines and Indonesia declined. Flaxseed imports, largely from the United States, increased in 1962 despite a substantial increase in domestic production.

Imports of vegetable oils, which supply about two-fifths of the domestic consumption, increased in 1962 as domestic production declined. Palm oils accounted for most of Belgium's supply of vegetable oils in 1962.

Production of cakes and meals in 1962, at 196,900 tons, increased by 10 percent from the 178,200 tons produced in 1961. This increase was largely due to expanded crushings of soybeans. Cake and meal imports rose by 77,560 tons or 30 percent from 1961, reflecting increased soybean meal imports from the United States.

BELGIUM: SUPPLY OF OIL-BEARING MATERIALS AND VEGETABLE OILS, 1961 AND 1962

Commodity	Production		Imports	
	1961	1962	1961	1962
	Short tons	*Short tons*	*Short tons*	*Short tons*
Oil-bearing materials:				
Peanuts	——	——	71,061	83,991
Soybeans	——	——	99,497	131,910
Copra	——	——	40,557	27,048
Palm kernel	——	——	25,642	35,318
Flaxseed	19,090	36,040	32,142	35,796
Castor beans	——	——	3,317	7,579
Other	170	180	15,199	14,793
Total	19,260	36,220	287,415	336,435
Vegetable oils (crude):				
Peanut	31,289	34,479	3,861	5,585
Soybean	18,618	22,180	1,687	1,240
Coconut	27,510	16,975	3,825	7,120
Palm kernel	11,788	17,594	2,345	2,895
Palm	——	——	40,875	39,588
Linseed	15,843	12,609	——	1,279
Castor	1,603	2,951	583	1,025
Other	5,931	4,071	9,785	10,150
Total	112,582	110,859	62,961	68,882

National Statistical Institute.

Exports of cakes and meals also showed significant gains in 1962. The bulk of the increase moved as palm kernel cake to West Germany and as peanut cake to France.

Ontario Permits Colored Margarine Sale

Recent legislation in Ontario, Canada, effective about May 1, 1963, permits the sale of margarine, colored at point of manufacture, of a color level exceeding 10.5 degrees on the Livibond tintometer (a color slightly darker than butter). The Oleomargarine Act of 1949 had permitted the sale of margarine in an almost-white shade, or up to 1.6 degrees on the tintometer.

The introduction of colored margarine into Ontario is particularly significant because this is Canada's most populous and wealthiest province. Almost 6.4 million of Canada's total population of 18.7 million live there.

The new Ontario law is in line with existing laws in Nova Scotia and Manitoba. Newfoundland and British Columbia are the only provinces with no color restrictions on margarine. Quebec has legislation similar to that existing in Ontario prior to the recent amendment; that is, it permits the sale of very pale yellow or almost white margarine. Only white margarine may be sold in Alberta, Saskatchewan, and New Brunswick. Prince Edward Island prohibits the sale of any margarine.

Following the new legislation Ontario margarine manufacturers were able to put the colored product on the market promptly because it was already being made for shipment to Nova Scotia and Manitoba.

The legislation amending the Oleomargarine Act also included a provision requiring margarine manufacturers to "show clearly on the package the kinds and percentages of edible oils used," but this provision is not yet effective pending approval by the Ontario Cabinet.

The Ontario Government no longer considers the general term "refined edible oil" satisfactory identification for consumers because of the rapid increase in the use of edible oils other than vegetable oils in the manufacture of margarine. Vegetable oils are being replaced by less expensive fish oils and animal fats. In the early 1950's, 94 percent of all oils used in margarine manufacture were vegetable oils; in 1962 vegetable oils accounted for 63 percent, marine and fish oils 32 percent, and animal fats 5 percent. Furthermore, while the percentage of soybean oil, largely from imported U.S. beans, accounted for 67 percent of the total fats and oils consumed in the manufacture of margarine in 1960, the proportion dropped to 37 percent in 1962.

Austria's Consumption of Oils Stabilizes

Austrian per capita consumption of edible fats and oils in calendar 1962 is estimated at 45 pounds, indicating stabilizing consumption. For the last 4 years, per capita consumption has ranged from 44 to 46 pounds.

The composition of fat intake continued to change, however, as butter gained ground at the expense of lard and vegetable fats and oils. This trend may reverse itself in 1963, as a proposed rise in butter prices becomes effective.

AUSTRIA: CONSUMPTION OF EDIBLE FATS AND OILS,[1] 1961 AND 1962

Item	1961 [2]	1962 [3]
	Short tons	*Short tons*
Vegetable and marine [4] fats and oils	70,800	70,100
Butter	32,600	34,300
Rendered lard	40,800	40,300
Unrendered pork fat [5]	15,200	14,400
Total	159,400	159,100
Per capita consumption (pounds)	45	45

[1] Pure fat basis. [2] Revised. [3] Preliminary. [4] Marine oils are consumed as a component of margarine. [5] Rendered equivalent. Compiled from official sources.

Total supplies of marine and vegetable fats and oils for 1962 increased slightly despite a decline in domestic consumption. A slight increase in domestic production—mostly rapeseed and pumpkinseed oils—was accompanied by a modest increase in inedible oils imports, which offset a decline in edible oil imports. The inedible imports were comprised largely of crude oils, unfit for immediate human consumption, destined for refining into edible products. Importers take advantage of the duty-free status of such oils and fats.

AUSTRIA: VEGETABLE AND MARINE FATS AND OILS SUPPLY AND DISTRIBUTION, 1961 AND 1962

Item	1961 [1]	1962 [2]
Supply:		
Opening stocks, January 1:	*Short tons*	*Short tons*
Edible [3] [4]	4,960	4,960
Total	4,960	4,960
Production:		
Edible:		
Rapeseed oil	3,440	3,920
Pumpkin and sunflower seed oil	1,709	1,916
Coconut oil	5,431	5,045
Other	152	24
Total production	10,732	10,905
Imports:		
Edible:		
Olive oil	1,198	844
Soybean oil	40	118
Other [5]	1,050	1,049
Inedible: [6]		
Marine oils	959	733
Peanut oil	8,952	8,850
Coconut oil	7,791	6,271
Palm oil	1,248	1,450
Rapeseed oil	1,785	3,377
Soybean oil	14,135	12,409
Sunflower seed oil	10,999	13,082
Other inedible oils [7]	16,237	16,487
Industrial oil [8]	6,956	6,741
Total imports	71,350	71,411
Total supply	87,042	87,276
Distribution:		
Domestic disappearance:		
Edible	12,998	12,361
Inedible	69,028	69,389
Exports (edible and inedible)	56	14
Ending stocks, December 31:		
Edible [3]	4,960	5,512
Total distribution	87,042	87,276

[1] Final data. [2] Preliminary data. [3] Data on fats and oils stocks for nonfood uses not available. [4] Breakdown unavailable. [5] Includes cottonseed, peanut, coconut, palm and sunflower oils, other unspecified edible oils and edible fats including margarine, excluding animal fats. [6] Includes crude oils unfit for immediate human consumption. [7] Includes olive and palm kernel oils and unspecified cooked, oxidized, and hydrogenated fats and oils. [8] Includes linseed, castor, Chinese tung, sulphur and other industrial oils. Compiled from official sources.

Forecasts anticipate a slight increase in vegetable and marine fats and oils consumption for Austria in 1963, but with a probable lower total supply of about 83,000 short tons. Over four-fifths of this quantity will be used for food and the remainder for industrial purposes. Imports of vegetable and marine fats and oils will probably run 77,000 tons, with emphasis on procurement of the duty-free crude oils.

Mexico Controls Fats and Oils Imports

According to the Mexican press, the Ministry of Finance has instructed the Customs Bureau that until further notice it is to prohibit imports of all animal and vegetable fats and oils except those consigned to the National Foreign Commerce Bank.

Canadian Poultry Meat Production Rises

Canada's upward trend in poultry meat production, which was interrupted slightly in 1962, is expected to be resumed in 1963. During the first quarter of 1963 total poultry meat processed was 11 percent higher than in the same period a year ago. Chicken and fowl slaughter in registered plants in the first quarter of this year was up 10 percent; turkey slaughter was up 17 percent.

Total poultry meat production in 1962 was estimated at 566 million pounds, eviscerated basis, slightly below the record 567 million produced in 1961. Approximately 412 million pounds of chicken meat was produced, about the same as in 1961, but turkey meat production reached a record high of 147 million pounds, up 2 percent.

The Dominion Bureau of Statistics estimates the 1962 per capita consumption of all poultry meat at 31 pounds, about the same as the 1961 estimate. The per capita consumption of chicken meat was estimated at 22.9 pounds, compared with 23.0 pounds in 1961. Turkey meat consumption, which was estimated to be 7.7 pounds, was up slightly from 1961.

Australia's Butter Exports Down

Australia's butter exports in 1962 decreased 4 percent to 163 million pounds. This decline was due largely to reduced shipments to the United Kingdom, the major market. Sales to that country, which are still under import quotas, dropped to 135 million pounds from 148 million in 1961. Exports to most of the other traditional markets, including Ceylon, Hong Kong, Malaya and Singapore, at approximately 2 million pounds each, showed little change from the previous year. West Germany's purchases increased from less than 1 million pounds to 4 million, and Italy, not a purchaser in 1961, took more than 2 million pounds last year.

Cheese exports rose from 45 million pounds to 57 million, of which 39 million went to the United Kingdom. Shipments to Japan increased from 1 million pounds to 3 million. Sales to the United States were well over 3 million pounds in 1962, compared with only 491,000 in 1961.

Canned milk shipments—about 90-percent condensed milk—at 48 million pounds, were less than 1 percent heav-

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ier than those of 1961. The largest purchases were made by Malaya (17 million) and Burma (13 million). Smaller but important purchases were made by Singapore, British Borneo, Mauritius, the Philippine Republic, and Thailand.

Overall exports of dried milk were up 21 percent to 61 million pounds. This increase was due almost entirely to heavier exports of nonfat dry milk, which makes up about 74 percent of total dried milk trade.

India was the most important market in 1962, taking 21 million pounds, but increased sales were made to several other regular outlets, particularly Japan—4 million pounds, compared with 1 million in 1961; the Rhodesian Federation—3 million (238,000); the United States—1 million (159,000); the Philippine Republic—1 million (780,000); and Italy—3 million (none in 1961). Shipments to the United Kingdom dropped from more than 4 million pounds to 1 million.

Australia imports various types of cheeses. In 1962, these totaled 5 million pounds, compared with 4 million in the preceding year.

Italy's Trade in Cheese Expands

Italy's imports of cheese in 1962 were 111 million pounds, an increase of 11 percent over 1961. Principal suppliers and their shipments in both years were: West Germany, 23 million pounds (18 million); Austria, 19 million (17 million); Denmark, 16 million (13 million); Finland, 8 million (5 million); and Sweden, 4 million pounds (3 million). Although imports from Switzerland were down slightly, that country continued to be the largest single supplier with 26 million pounds.

Italian cheese exports were up 15 percent to 58.8 million pounds. Principal destinations were the United States, which took 24 million pounds compared with 20 million a year earlier; Switzerland, 9.5 million pounds (8.5 million); and France, 7 million (4.8 million). Slightly larger sales were also made to Canada, Belgium, West Germany, and the United Kingdom.

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12 Rhodesias-Nyasaland Plan Larger Pork Production
13 Ireland Selling Pork to East Germany

Sugar, Fibers, and Tropical Products

11 United States Ratifies Coffee Agreement
11 Malagasy Coffee Production To Increase
11 Philippine Maguey Production Rises

Tobacco

11 German Leaf Tobacco Usings Up Slightly
12 Rhodesian Flue-cured Prices Advance
12 Argentine Cigarette Sales Up Slightly
12 Record Korean Output of Tobacco Products